



# CLAIMING A TAX DEDUCTION FOR PERSONAL SUPER CONTRIBUTIONS.

**You may be able to claim a tax deduction for any personal super contributions on your next income tax return.**

## Am I eligible to claim a tax deduction?

You can claim a tax deduction for your personal contributions if:

- you have not opened a pension account (including Transition to Retirement account) using part or all of the contributions for which you intend to claim a tax deduction,
- you're a member of Hostplus and your contributions are still in your super account, and
- you're planning to split all or part of your contributions with your spouse but you also want to claim a tax deduction for them (you must give us the notice of intent to claim a deduction first).

## No longer need to be self-employed

The requirement to be substantially self-employed was removed from 1 July 2017 and all members are able to claim a tax deduction for personal contributions.

If you're a director of a company, you're considered an employee for super purposes and any super contributions made through the company would be considered as employer contributions.

## Limits on what you can claim

You can't claim a tax deduction for:

- super you transfer from one fund to another (including an overseas super fund),
- contributions you split with your spouse, or
- super contributions you transfer to start a pension account.

If you're 75 or older, you can't claim a deduction for contributions that were made more than 28 days after the month you turned 75. If you're under 18 at the end of the financial year, you can only claim a deduction if you earned income as an employee or business operator during the year you want to claim the deduction. Those aged 67 to 74 will still need to meet the work test in order to be eligible to make a contribution and claim a tax deduction.

## **i** When to claim

Once you make a contribution, you have until the earlier of:

- the date you submit your tax return, or
- the end of the following financial year in which the personal contributions were made, to claim your tax deduction. Example below:



Sarah must submit her claim for a tax deduction before the earlier of lodging her tax return and 30 June of the following financial year in which the personal contributions were made.

## Example 1: Georgia is self-employed and can claim a tax deduction

Georgia is a self-employed cleaner and earns \$55,000 each year as a sole trader. She made a personal contribution of \$10,000 to her super. Georgia also earns \$5,000 each year working as an employee for another cleaning company and decides to contribute this full amount to super. Georgia can claim all of her personal contributions (\$15,000 in total) as a tax deduction up to her concessional cap, which is \$27,500. She notifies Hostplus that she intends to claim a deduction and includes the tax deduction as part of her tax return.

## Example 2: Matthew works part-time and is eligible for a tax deduction

Matthew is 30 and decides to start his own business. While he gets his business up and running, he continues working part-time in an accounting firm where he earns \$10,000 and receives \$1,050 (10.5% of \$10,000) employer super contributions. In his first year, his business earns him \$80,000.

Matthew can claim a tax deduction up to his concessional cap, which is \$27,500 less the amount his employer has contributed, so he decides to make a \$26,450 personal contribution to super. He notifies Hostplus that he intends to claim a deduction and includes the tax deduction as part of his tax return.

### Can I change the amount I wish to claim as a tax deduction?

Yes. You'll need to complete Section C of the ATO 'Notice of intent to claim or vary a deduction for personal super contributions' form to reduce the amount claimed on your previous notice. If you don't want to claim any of your personal contributions, you'll need to reduce your claim amount to zero. Alternatively, you may want to provide a second notice specifying the additional amount you want to claim.

### When can I reduce the amount I wish to claim as a tax deduction?

You can apply to reduce your claim amount if:

- you have not yet lodged your income tax return and it is on or before 30 June in the financial year following the year you made the contribution, or
- the ATO have disallowed your claim for a deduction and you are applying to reduce the amount claimed as a deduction by the amount that the ATO disallowed.

If the ATO has disallowed your claim for a deduction, you must provide us with a copy of the notice from the Tax Office.

### Making a partial claim

If you transfer some of your super to another fund or take part of it in cash, you could still be able to claim a partial tax deduction for the personal contributions that are left in your super account.

Getting financial advice before you transfer any of your super could help you make the most of the tax benefits that may be available. For help, contact the Australian Taxation Office on 13 10 20 or your tax adviser.

### Tax on your personal contributions

Once you advise Hostplus of your intention to claim a deduction for your personal contributions, Hostplus is required to deduct 15% tax from those contributions.

Claiming your contributions as a tax deduction could reduce the amount of tax you need to pay on your income. So, depending on your personal tax rate, you may pay less tax overall.

If you claim a deduction on all of your personal contributions, you won't be eligible for Government co-contributions. If you only claim on some personal contributions, you may still be eligible.

### Contribution limits

The Government limits the amount you can contribute to super. If you exceed the limits you may pay extra tax. The ATO provides detailed information about contribution limits including helpful fact sheets which may help you to make informed choices about contributing to your super. Visit [ato.gov.au](http://ato.gov.au) for more information.

### How to claim a tax deduction

**Step 1: Complete the ATO 'Notice of intent to claim or vary a deduction for personal super contributions' form. When complete, post it to Hostplus at Locked Bag 5046, Parramatta NSW 2124.** This tells us the amount you want to claim.

**Step 2: Receive confirmation from Hostplus.**

Once we receive your form, we'll write to you confirming the amount you want to claim. Fifteen per cent contributions tax will then be deducted from your contributions and reported on your next member statement.

**Step 3: Submit your tax return.** You will need to state the amount you want to claim as a tax deduction in the supplementary section of your tax return.

To claim a tax deduction for personal super contributions, you must send us your completed 'Notice of intent to claim or vary a deduction for personal super contributions' form before you withdraw your super benefit, transfer any part of your account to a pension account (including Transition to Retirement account), split any of your super with your spouse or close your account. We can't accept your request for a tax deduction after an application for a benefit payment or to open a pension account (including Transition to Retirement account) has been processed.

## FIND OUT MORE.

For more information or help claiming a tax deduction call the Australian Taxation Office on 13 10 20 from 8am to 6pm weekdays, or speak to your accountant or tax adviser.

**THAT'S  
A PLUS.**

